



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Proposed Surrender of Lease at Whiterock Close
Date:	19 June 2009
Reporting Officer:	Andrew Hassard, Director of Parks and Leisure, Ext. 3400.
Contact Officer:	Stephen Walker, Principal Parks and Cemeteries Development Manager, Ext. 3510. Ken Anderson, Estates Surveyor, Core Improvement, Ext. 3496.

Relevant Background Information

By a 99 year lease dated 29 December 1999 the Council leased approximately 0.74 acres of land at Whiterock Close to the Trustees of Blackmountain Irish Medium School. The lease limits use of the site to 'school facilities'. Some time in 2005 the school moved its operations to a new location and the land has lain vacant since then.

In the intervening period some of the school Trustees have sought to enter arrangements with the Council to allow commercial development on the site. While seeking to resist this approach officers have also been conscious that voluntary surrender of the lease represented the most appropriate solution for the Council and the local community. The Trustees have recently indicated that they would consider surrender of the lease to the Council.

Engagement with the local community has produced a level of support for the development of mainly community based facilities on undeveloped Council land at Whiterock. Such development could be enhanced by inclusion of the school site and there is local support for the Council in its efforts to either have re-use of the site by the school (in accordance with the terms of the lease), or failing that, to recover possession of the site. This local support has resulted in a willingness by two of the four school Trustees to agree to surrender of the 99 year lease and return the land to Council control. It is understood from the school Principal that the agreement of the remaining Trustees will also be forthcoming.

There are a number of potential benefits to the Council from the availability of this land. These include (subject to budget availability) the potential development of additional car parking for users of the Council's Leisure Centre and synthetic pitch. The site could also provide greater scope for development of more accessible play facilities for young children. Subject to further consultation with the local community and planning

constraints, return of this land could also assist in making portions of the Whiterock site available for limited commercial use.

Since the school vacated the site in 2005 there has been some difficulty in obtaining regular payment of rent. The current rent is £6500 per annum is payable quarterly in advance. The arrears have accumulated over a period of 5 years and although there have been periodic payments made by the individual Trustees, the overall level of arrears has continued to increase. Therefore although the last payment was made in April 2008 (to cover 2006 invoices), the total level of rent arrears now stands at £19,500. The attached Appendix 1 shows the levels of invoices and arrears accumulated over the period since the site was vacated by the school in 2005.

Key Issues

- There is potential to recover possession of approximately three quarters of an acre of land, bring it back under Council control, and allow development of comprehensive proposals for the whole Whiterock site.
- While there remains a legal obligation on the individual Trustees in relation to payment of rent it is possible the Trustees will seek waiver of existing rent arrears as part of the arrangements associated with legal surrender of their interest in the site.

Resource Implications

Financial

Under the terms of the 1995 lease there are legal obligations upon the individual school Trustees to pay rent. There are however potential benefits to the Council and the local community in bringing the site back under Council control. The most straightforward means of bringing the site back under Council control is to achieve the voluntary surrender of the Lease by the school Trustees. While rent remains a legal obligation up until the completion of a legal 'Deed of Surrender' (to be signed by the Council and the Trustees) the view of Committee is sought in relation to the treatment of any arrears which may exist once completion of the Surrender is achieved. At the present time it would seem most likely that the present level of arrears would tend to increase rather than decrease between now and completion of the proposed Deed.

Human Resources

Existing staff resource in Legal Services, Estates Management Unit, Parks and Leisure Department and Central Transaction Unit would be required in implementing any decision arrived at by Committee.

Asset and Other Implications

Recovery of the site would enable development of a comprehensive approach to overall site usage. Surrender of the site would absolve the Trustees from the future payment of rent and compliance with other terms of the lease for the next 85 years (being the unexpired term of the lease).

Recommendations

Committee is recommended to accept surrender of the 99 year lease from the Trustees of Blackmountain Irish Medium School through an appropriate legal agreement to be drawn up by the Director of Legal Services and to pursue the arrears of rent up to the date on which the Trustees first indicated in writing to the Council that they would agree to surrender the lease (11 March 2009).

Decision Tracking

The Director of Improvement to ensure implementation of the Committee's decision by 31 December 2009.

Key to Abbreviations

None.

Documents Attached

Appendix 1 – Schedule showing invoiced amounts and accumulation of arrears since vacation of the site in 2005.
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Appendix 2 – Map showing (outlined with a heavy black line) the site leased by the Council to Blackmountain Irish Medium School by lease dated 29 December 1995.
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